LIBRARY
SUPREME COURT, U. S.

Supreme Court, U.S.
FILED
SEP 28 1971
E. ROBERT SEAVER, CLERK

70-335

IN THE

Supreme Court of the United States

October Term, 1971

No. 1020

ELECTRONIC CONSTRUCTS FOR INDUSTRY CO., ECI SEMICONDUCTORS, INC., and ECI CHICAGO, INC.,

Petitioners,

vs.

ELECTRONIC COMMUNICATIONS, INC.,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

ROY C. HORGOOD
SANDOS, HORGOOD AND CALDWATER
60 East 42nd Street
New York, New York 10017
Attorneys for Respondent

Of Counsel:
PAUL H. BLAUSTEIN
New York, New York

TABLE OF CONTENTS

	PAGE
Statement	2
Reasons for Opposition	3
Conclusion	7

TABLE OF AUTHORITIES

Cases:

Columbia Mill Company v. Alcorn, 150 U.S. 460, 463-4, 37 L. Ed. 1144, 14 S.Ct. 151 (1893)	4
David Sherman Corporation v. Heublein, Inc., 340 F. 2d 377, 381 (8 Cir. 1965)	5
Thomas Patrick, Inc. v. KWK Inv. Co., 206 S.W. 2d 350 (Sup. Ct. Mo. 1947)	6
Better Business Bureau of Kansas City Advertising Club, Inc. v. Chappell *et al.*, 307 S.W. 2d 510, 515 (Ct. of App. 1957)	6

Other Authority:

Rule 19, Supreme Court Rules	7

IN THE

Supreme Court of the United States

October Term, 1971

No. 1881

ELECTRONIC COMPONENTS FOR INDUSTRY CO., ECI SEMICONDUCTORS, INC., and ECI CHICAGO, INC.,
Petitioners,

vs.

ELECTRONIC COMMUNICATIONS, INC.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

Petitioners have requested this Court to grant a writ of certiorari to review the judgment of the Court of Appeals which found "solid evidentiary support for all of the [Trial] Court's findings" (A-4).[1] The Petitioner is asking this Court to indulge in academic exercise, to find a trade name right in Petitioners, in the face of the "solid evidentiary support" for Respondent's prior trade name and trademark rights, in precisely the locale of Petitioners' later inception.

1. Reference is to the Appendix in the Petition; emphasis is ours, unless otherwise specified.

Statement[2]

The Eighth Circuit held Respondent's trademark registrations, for the mark "ECI", to be valid, subsisting, and infringed by Petitioners. The District Court was also affirmed as to its finding of Respondent's superior common-law trade name and trademark rights in Petitioners' state of Missouri.

In so holding, the Court of Appeals affirmed the District Court. And an injunction order by the Trial Court has been stayed pending Petitioner's appeals.

In the Petition, Petitioners seek review of the judgment which held Respondent's use to be prior to that of Petitioners. Petitioners seek to have this Court declare as a matter of law that Petitioners' uses prior to Respondent's registration will somehow tip the scales to Petitioners' favor, when "solid evidentiary support" exists for the common-law prior-user position held for Respondent.

We submit that the Petition is bottomed on fantasy and should be denied.

---

2. Respondent does not accept Petitioner's statement and characterization of the record, but since the merits of the Petition are not affected, Respondent does not burden this Brief in Opposition by a detailed statement, except to state that contrary to Petitioner's "Statement of the Case", the record has been held by the Eighth Circuit to contain "solid evidentiary support for all the [Trial] Court's findings" (A-4), including the findings of Respondent's substantial "ECI" use in Missouri, prior to the inception of any of the Petitioners (A-2), and including the finding that "both plaintiff [Respondent] and defendants [Petitioners] are in the same business" (A-7, 8).

Reasons for Opposition

Petitioners' statement of the "Question Presented for Review" is an attempt to rephrase and to rehash the lesser one of two bases on which Petitioners relied before the Court of Appeals. Petitioners' primary issue before the Court of Appeals has now been jettisoned.[3]

Petitioners' rephrased question implies that, prior to 1960 issuance of Respondent's Federal trademark registrations, Respondent had no common-law rights to "ECI" in Petitioners' home ground, the State of Missouri. Petitioners would have this Court believe that Judge Meredith and the Court of Appeals chose to ignore prior common-law rights in Missouri.

But a reading of the Trial Court's Memorandum (A-13) as to the findings for which the Court of Appeals held that there was "solid support in the record evidence" (A-12), exposes the insubstantiality of Petitioners' "Question". Specifically, the District Court found:

1. Respondent made "ECI" sales to McDonnell Aircraft Company in St. Louis, Petitioners' birthplace, in 1957, prior to inception of any of the defendants (A-20).
2. Respondent also used "ECI" in its sale of facsimile equipment of the Signal Corps in St. Louis in 1958, also prior to conduct of business by any of the Petitioners (A-20).

3. In its decision (at A-4), the Court of Appeals took note that defendants (Petitioners) characterized the now-jettisoned laches or equitable estoppel issue as their "primary issue".

3. Petitioners' 1962 catalog assures the prospective customer that Petitioners can supply parts to "SigC" designations; SigC is the recognized abbreviation for the Signal Corps, Respondent's St. Louis customer before inception of any of the Petitioners (A-20).

4. Respondent had done "substantial business under its mark 'ECI' in St. Louis before the St. Louis inception of any of the defendants [Respondents]" (A-21).

5. Respondent first used the mark "ECI" in early 1957 (A-14).

Plainly, if the Trial Court made such clear findings to support Respondent's common-law trademark rights to "ECI" in St. Louis prior to inception of any defendant, it is a complete waste of time to attempt to breathe life into Petitioners' would-be common-law rights, which could not possibly have origin as early as Respondent's, even in Petitioners' home-town St. Louis territory.

This Court has long recognized the superiority of rights of the first user, here Respondent.[4] We submit that nothing can be clearly erroneous if, as here, the decisions have favored the prior user of the mark "ECI" in Petitioners' place of later birth.

To attempt to make anything out of Petitioners' junior uses is to indulge in pure fantasy and to delay unreason-

4. In *Columbia Mill Company* v. *Alcorn*, 150 U.S. 460, 463-4, 37 L.Ed. 1144, 14 S.Ct. 151 (1893), Mr. Justice Jackson noted, among general propositions applicable to trade-marks, that:

> "* * * the exclusive right to the use of the mark or device claimed as a trade-mark is *founded on priority of appropriation*; that is to say, the claimant of the trade-mark must have been *the first to use* or employ the same on like articles of production."

ably the operation of the injunction which the Court of Appeals held that "the District Court very properly entered" (A-12).

The Court of Appeals took cognizance of Petitioners' claim of use prior to Respondent's registration, but correctly concluded (A-10):

> "The use claimed by defendants [Petitioners] was not such as * * * to show prior use."

It is purely academic whether Petitioners' use[5] prior to Respondent's registration was a trade-mark or a trade-name use. The point is that Respondent's St. Louis uses were prior to that of Petitioners.

And the Courts below correctly found likelihood of confusion from the overlap of goods and customers sold by the parties under the mark "ECI" (A-3, A-11).

Petitioners' cases, august as their source may be, shed no light on this case, for the simple reason that Respondent's trademark and trade-name rights in "ECI", being prior-user rights, are superior from any viewpoint, and actual confusion is not a prerequisite, even in the same District of the Eighth Circuit and under the common law of Missouri.

In its decision, the Court of Appeals (A-8, 9) quoted from the opinion in *David Sherman Corporation* v. *Heublein, Inc,* 340 F.2d 377 (8 Cir. 1965), in which Judge Blackman also noted, at page 381:

---

5. ECI Semiconductors, Inc., the second of the Petitioners, was founded after issuance of Respondent's registration (A-2); and ECI Chicago, Inc., the third of the Petitioners, was founded only after it had become necessary to initiate the present lawsuit (A-4).

"We do not ignore the experience of the market place. But none of the cases which we have cited or which have been cited to us, as we read them, abandons likelihood of confusion as the governing test or goes so far as to hold that likelihood of confusion is not the applicable criterion even when there has been simultaneous sale for a period of time without a proved example of actual confusion. The courts have given full impetus to the statutory standard. They have recognized that it is usually difficult to ferret out instances of actual confusion even though they exist. And they have not accepted mere passage of time as a factor which avoids or which renders inapplicable the stated statutory standard."[6]

---

6. This is also Missouri law, insofar as it is here applicable. In *Thomas Patrick, Inc.* v. *KW'K Inv. Co.*, 206 S.W. 2d 350 (Sup. Ct. Mo. 1947), the Court stated:

"As a preliminary it should be noted that it is not a necessary prerequisite to relief in cases of this nature that some one, in point of fact, has been deceived (Liggett & Myers Tobacco Co. v. Sam Reid Tobacco Co., 104 Mo. 53, 60, 15 S.W. 843, 844, 24 Am. St. Rep. 313), or that the plaintiff, in point of fact, has sustained an actual loss of business, injury to good will or damages. Standard Oil Co. of New Mexico v. Standard Oil Co. of California, 10 Cir. 56 F.2d 973. It is no longer necessary that the parties be engaged in competitive business (Vogue Co. v. Thompson-Hudson Co., 6 Cir., 300 F. 509) or that an actual diversion of business be shown. Great Atlantic & Pacific Tea Co. v. A. & P. Radio Stores, D. C., 20 F.Supp. 703, 704. At least in some spheres of activity, nowadays, a plaintiff's trade name is entitled to protection against a subsequent user of the name if the designation complained of is so similar to the plaintiff's trade name that there is reasonable likelihood of confusion of source, such that prospective purchasers or clients are likely to regard the name as indicating the source identified by the name and consequently future injury to good will, reputation or business. 52 Am. Jr., Sec. 98, p. 577; Annotation 148 A.L.R., loc. cit. 22-26, 66-76; 37 Col. L.R. 582. Such 'Threatened future injury is sufficient basis for relief'. 2 Nims. Unfair Competition, Sec. 365."

The foregoing statement was bodily adopted in *Better Business Bureau of Kansas City Advertising Club, Inc.* v. *Chappell et al.*, 307 S.W. 2d 510 (Ct. of App. 1957), at page 515.

There is no logic or law to limit Respondent to dates in its trademark registrations, or to ignore the "solid evidentiary support" for the prior common-law trade-name and trademark rights of Respondent, in the State of Missouri, all as succinctly found by the Trial Court and upheld by the Eighth Circuit as not clearly erroneous.

Conclusion

No showing whatsoever has been made that the Court of Appeals has decided an important question of federal law in conflict with any decision of this Court or any other Court, or otherwise as required by Rule 19.

We submit that the Petition should be denied.

Respectfully submitted,

/s/ Roy C. Hopgood

Roy C. Hopgood
Sandoe, Hopgood and Calimafde
60 East 42nd Street
New York, New York 10017
Attorneys for Respondent

Of Counsel:
Paul H. Braustein
New York, New York